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RUEHMN/AMEMBASSY MONTEVIDEO 5725
RUEHQT/AMEMBASSY QUITO 6520
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C O N F I D E N T I A L SECTION 01 OF 03 LA PAZ 001865

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ASEC

SUBJECT: BOLIVIA: AUTONOMY, THE CHACO, AND DESPAIR IN TARIJA

Classified By: EcoPol Chief Mike Hammer for reasons 1.4 (b) and (d).

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Summary
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¶1. (C) The southern, gas-rich department (state) of Tarija has called an election on November 30 to select a departmental parliament, as called for in its autonomy referendum. The parliamentary elections will be the first among the autonomous opposition departments and was moved forward two months as a reaction to the central government's call for a national vote December 7 on the new constitution. Tarija's attempts to consolidate and define its own autonomy will take place within a regional context showing increasingly complicated rivalries, protests, and divisions. Officials in Tarija fear not only the advancement of the Movement Towards Socialism (MAS) agenda, but also the lack of a consistent, alternative vision for the country. The myriad of opposition blockades gripping the south-eastern corner of the country (the Greater Chaco) threaten to divide the region into hotspots of civil unrest. End Summary.

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Departmental Parliamentary Elections
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¶2. (C) Each of the four approved departmental autonomy statutes in Bolivia call for the election of a local parliament. On September 1, Prefect Mario Cossio decreed that Tarija would be the first to act by setting departmental elections for November 30th. While the election had been scheduled for late January, the department's Foreign Affairs Advisor, Hugo Carvajal told us that the elections were moved forward as a result of the Morales administration's decree for a vote on the MAS constitution on December 7. Carvajal said that it was important for the Tarija to keep control of the norms and guidelines which will define the shape of its autonomy. Santa Cruz, the largest of the autonomous departments, is currently scheduled to hold its parliamentary elections on January 25.

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Protests in the Greater Chaco

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13. (SBU) The Greater Chaco is composed of the eastern portions of Chuquisaca and Tarija, as well as a southern portion of Santa Cruz. While the people of this sparsely populated, gas-rich region generally favor the idea of autonomy, many would like to see the creation of their own department of the Chaco. (Note: The government has floated the idea of establishing a tenth department, taking territory from Santa Cruz, Chuquisaca, and Tarija. This action would further divide the opposition. End note.) In the meantime, protests in support of the opposition departments or media luna (half-moon) have shut down the principal highway linking Bolivia to Argentina. Currently the highway is blocked in four cities: Yacuiba (Tarija, on the border with Argentina), Villamontes (Tarija), Machareti (Chuquisaca), and Camiri (Santa Cruz). However, protests across the region are difficult to disentangle and the push and pull of various competing agendas could overtake any coordinated plan at any time.

14. (C) On September 1, the civic committee leaders from the four cities met together with the presidents of the civic committees of both Tarija and Chuquisaca to discuss measures to be taken across the Greater Chaco region. According to Carvajal, these leaders asked for the upcoming meeting of the CONALDE, the grouping of opposition prefects and civic leaders, to take place in Villamontes, Tarija. Their request was denied, and the CONALDE meeting is set to take place in Santa Cruz on September 2. This is one small indicator of a

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growing rift between the half-moon departments.

15. (C) In Tarija, resentment toward Santa Cruz domination of CONALDE is widely expressed and they are disappointed that Santa Cruz appears to be looking out only for its own interests. Amilcar Taboada, Director of the Institute of Governability and Democracy in Tarija, lamented that Santa Cruz is acting more and more on its own behalf, rather than on uniting the half-moon departments behind a common agenda. Carvajal echoed these sentiments, but said that the cleavage is most evident between the civic committees at the moment, and insisted that the prefects are still working hard at putting forward a united front. Clearly, the civic committees working in the Greater Chaco are pushing for a more radical agenda and Carvajal believes that if CONALDE does not call for a general strike across all of the half-moon, the Greater Chaco will act, perhaps violently, on its own.

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The Indigenous Wildcard
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16. (C) The overall percentage of indigenous in Tarija is quite small. According to the 2001 census it is around 18 percent of the population, but leaders in the prefecture put the figure much lower (around 5 percent). Either way, it is clear that overall within the department (and particularly in Tarija city), the indigenous are not given much weight. In fact, during a recent trip to Tarija, EconOff was briefly trapped in the prefecture building while an indigenous protest over housing was taking place outside. Locals shouted at the protesters to "go back to La Paz," indicating the perception of the indigenous as outsiders. (Note: In another indication of the complexity of local politics, it was a march of the Departmental Workers Confederation (COD) which broke up the indigenous protests. The COD belongs under the umbrella of the MAS-aligned Bolivian Workers Confederation (COB). End note.)

17. (C) In the Greater Chaco, indigenous groups (Guarani) do hold considerable influence. However, they are difficult to place politically, as they often advance their own political agenda. Earlier in the year the indigenous association in

Camiri (Santa Cruz) joined with the civic committee to protest for more resources and control over local gas resources. Now they have declared that they will work against the civic committees and try to unblock the highway. Again, local concerns trump a national political agenda; yet, ethnic lines and ideology link these indigenous groups generally with the MAS.

Economic Fallout and Threats to the Gas

18. (C) The real value of the Greater Chaco is as a producer of gas and a corridor for trade between Bolivia, Argentina and Paraguay. Trucking has now been halted for over a week and more that 1,000 trucks are stuck at the border. The Bolivian hydrocarbons company (YPFB) is blaming diesel and liquid gas shortages on the blockades. Opposition figures claim that the Morales administration is creating the shortages to divide the opposition and, in reality, there is sufficient stored diesel and liquid gas to meet demand. (Note, we believe there is some merit to opposition claims. End note.) Meanwhile, in the city of Tarija the military have been deployed to protect state-run businesses like YPFB and Entel, the recently nationalized phone company. Additionally, the military has been deployed to protect gas fields and pipelines in the region. While the flow of gas has not been disrupted, Carvajal reported that the major field of San Alberto (operated by Petrobras) has been blocked in. If protests continue and turn more violent, the threat to Bolivia's most lucrative export is real. This, in turn,

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could provide the excuse for a greater presence of the armed forces in the region.

Comment

19. (C) Tarija and Santa Cruz continue to stand as the heart of the opposition, but the relationship is straining under the unrelenting push of the MAS agenda. Frustration and helplessness are frequently expressed and small groups or individuals are more and more likely to take matters into their own hands, especially in the Greater Chaco. Political opposition leaders from the region frequently plead in private for the U.S. to take a stronger stand in support of democracy. They are concerned that while Bolivia has the tradition of teetering on the brink of disaster and then pulling back at the last moment, the final push may come from Venezuelan money and Cuban advisors.
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